

HB

265

HFIN

FILE

(11)

HOUSE COMMITTEE REPORT

Date Referred to Committee: March 1, 2000

FURTHER REFERRALS:

Date of Committee Action: 4/4/00

The FINANCE Committee considered:

HB 265

HOUSE BILL NO. 265

ALASKA REGIONAL ECONOMIC AID PROGRAM

"An Act extending the termination date of the Alaska regional economic assistance program; and providing for an effective date."

recommends it be replaced with the following committee substitute _____ [] the same title [] a new title

[] additional referral to _____ Committee
[] attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____

APPROVES PREVIOUS: (Dept/Date) _____

[] fiscal note(s) _____

[] fiscal note(s) DCED 3/1/00

[] zero fiscal note(s) _____

[] zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
	Therriault			X	
	Bunde			✓	
	Phillips			✓	
	Williams			X	
	G. Davis	X			
	Moses	X			
	Grossendak	X			
	T. Davis	X			
	Austerman	X			
	R. Foster	X			

60

CHAIR'S SIGNATURE

FISCAL NOTE

Bill Version: HB 265

(H) Publish Date: 3/1/00

STATE OF ALASKA 2000 LEGISLATIVE SESSION

Revision Date/Time (Note if correction) 2/23/00 Dept. Affected DCED
 Title BRU Community and Econ Dev
 An Act extending the termination date of the Alaska Regional ... Component Community and Econ Dev
 Sponsor Representative Austerman
 Requester HOUSE Special Comm. on Econ. Dev./Tourism Component No. 2243

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services	30.0	30.0	30.0	30.0	30.0	30.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	620.0	620.0	620.0	620.0	620.0	620.0
Miscellaneous						
TOTAL OPERATING	650.0	650.0	650.0	650.0	650.0	650.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
------------------------	-----	-----	-----	-----	-----	-----

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (RSA from AIDEA)	650.0	650.0	650.0	650.0	650.0	650.0
TOTAL	650.0	650.0	650.0	650.0	650.0	650.0

Estimate of any current year (FY2000) cost: 650.0

POSITIONS

Full-time	0	0	0	0	0	0
Part-time	1	1	1	1	1	1
Temporary						

ANALYSIS: (Attach a separate page if necessary)
 This is an existing program that is scheduled to sunset 6/30/00. Reauthorization will continue the program for 3 years (until 6/30/03). The \$650.0 comes to DCED via a Reimbursable Services Agreement (RSA) from the Alaska Industrial Development and Export Authority (AIDEA) Enterprise Development Fund (AS 44.88.155) DCED awards \$620.0 in grants equally to 13 existing Alaska Regional Development Organizations (ARDOR) (\$47.7 each). \$30.0 in personal services pays for a portion of DCED staff time associated with administering the grants and the ARDOR program in general. This funding is included in the current fiscal year budget and is included in the Governor's proposed FY 2001 budget.

Prepared by: Nelda Warkentin Phone 269-4568
 Division Municipal and Regional Assistance Division
 Approved by Commissioner Deborah B. Sedwick Date 02/23/00
 Agency Department of Community and Economic Development

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A

FISCAL NOTE

STATE OF ALASKA
20J0 LEGISLATIVE SESSION

BILL NO. HB 265

Revision Date: 04/01/00
Title: An Act extending termination date of the Alaska Regional

Dept. Affected DCED
BRU Community and Econ Dev
Component Community and Econ Dev

Sponsor: Representative Austerlitz
Requester: _____

Component Serial No. 2243

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06
Personal Services	30.0	30.0	30.0			
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	620.0	409.2	204.6			
Miscellaneous						
TOTAL OPERATING	650.0	439.2	234.6	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES []						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1091 Designated Program Receipts	650.0	439.2	234.6			
TOTAL	650.0	439.2	234.6	0.0	0.0	0.0

Estimate of any current year (FY98) cost: _____

POSITIONS

Full-time	0	0	0	0	0	0
Part-time	1	1	1	1	1	0
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*

Prepared by Rep. Eldon Mulder, Co-Chair House Finance Committee

Phone 465-2647

Rep. Gene Therriault, Co-Chair House Finance Committee

Phone 465-4797

Date 4/3/200

B

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. HB 265

Revision Date: 04/03/00
Title: An Act extending termination date of the Alaska Regional

Dept. Affected DCED
BRU Community and Econ Dev
Component Community and Econ Dev

Sponsor: Representative Austerman
Requester: _____

Component Serial No. 2243

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06
Personal Services	30.0	30.0	30.0	30.0	30.0	0.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	620.0	496.0	372.0	248.0	124.0	
Miscellaneous						
TOTAL OPERATING	650.0	526.0	402.0	278.0	154.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES []						
------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1091 Designated Program Receipts	650.0	526.0	402.0	278.0	154.0	
TOTAL	650.0	526.0	402.0	278.0	154.0	0.0

Estimate of any current year (FY98) cost: _____

POSITIONS

Full-time	0	0	0	0	0	0
Part-time	1	1	1	1	1	0
Temporary						

ANALYSIS: *(Attach a separate page if necessary)*

Prepared by Rep. Eldon Mulder, Co-Chair House Finance Committee

Phone 465-2647

Rep. Gene Therriault, Co-Chair House Finance Committee

Phone 465-4797

Date 4/3/200

Overview

The Alaska Regional Development Organizations (ARDOR) Program is the State's contribution to regional initiatives for developing Alaska's economy. In 1988, the Legislature recognized that locally driven initiatives, in partnership with the State, is the most effective approach to creating and sustaining strong, healthy economies. The Legislature established the ARDOR Program to create a network of organizations to plan and support economic development at the regional level.

There are currently 13 ARDORs. The ARDORs, like their counterparts nationwide:

- enable local officials and businesses to pool their limited resources and work together on economic development issues.
- develop partnerships among public, private and other organizations, and
- provide needed technical assistance via direct links with local citizens.

It's not the State trying to determine what's best for the region—rather it's the residents and those doing business in the region working together to create their economic future.

The ARDOR Program is providing a return for the State's investment. The State provides \$620,000 in grant funds for the ARDOR Program. As indicated on the following pages, the accomplishments of the ARDORs are impressive. Additionally, to their credit, the ARDORs have used the \$620,000 in State grant funds to leverage over \$3.5 million annually in other funds.

Communities and local organizations are making a significant financial commitment to the ARDOR program. An FY98 DCED evaluation of the ARDOR Program indicates that 96% of the required match is provided by local sources. ARDOR board member participation reflects a local commitment to the ARDOR Program. The 13 ARDOR boards, each with 10-20 members, constitutes 150+ local, civic minded individuals, who volunteer their time to achieve a stronger economic base in their region.

ARDOR boards bring together the leadership, expertise and dedication needed to generate sustainable economic development. ARDOR boards include individuals representing the private sector, land owners, school district, utilities, local government, etc.

The original intent of the ARDOR Program was to create regional entities, similar to the Southeast Conference or Southwest Alaska Municipal Conference, that could (1) improve the local economy and (2) eliminate region-wide economic development barriers, such as inadequate transportation or uncoordinated marketing efforts.

As reflected on the following pages, the ARDORs are meeting this Legislative intent. The ARDORs work on a wide range of projects. Some, like Anchorage's "Top of the World Cargo Conference" have regional or statewide impacts. Other projects, such as eco-tourism expansion, business start-up workshops, and the Kenai Business Innovation Center, assist individuals and businesses.



Anchorage Economic Development Corporation

1999 Examples of Accomplishments

- New Business Incentive Program passed by Legislature and signed into law.
- BUY ALASKA available statewide on the Internet at www.buyalaska.com.
- With DCED, published Fresh and Live Seafood Reports for Korea, Taiwan and Hong Kong.
- Assisted Kinetic Aviation, Inc. with site location, permits and financing.
- Facilitated formation of advocacy group for multi-modal transportation access to the Anchorage waterfront in support of oil industry module construction projects and shipping of goods through the Port.
- Developed and published forecast and quarterly economic updates (in AEDC newsletter - circulation 32,000), presented updates to 87 audiences (ranging in size from 5 - 600 persons), and briefed Permanent Fund managers and guests of Mayor.

The Business Incentive Program provides infrastructure, equipment, key personnel relocation costs and on-the-job training for manufacturing and value added industry in Alaska. BUY ALASKA has created or retained 331 jobs with \$15.24 million retained in Alaska's economy. An increasing fraction of services are outside of Anchorage. Fresh and Live Seafood Reports are available on CD ROM and were presented at a 10/98 public symposium. Data is in support of fresh and live air cargo from Anchorage.

3 Top Economic/Business Needs

- Workforce development.
- Transportation infrastructure for commercial corridors.
- Completion of year round tourist destinations in Anchorage.

To keep more of our talented entry level graduates in the Alaska workforce, student outreach about work opportunities in aviation, health services, manufacturing and tele-communication needs to be supported with promotion campaigns and collaboration with local and "Outside" universities. Anchorage's growth patterns need to accommodate industrial development and freight mobility, as well as residential, tourist and pedestrian amenities. Additional tourist destinations, such as the Native Heritage Center, Potter Marsh Nature Center and Fisheries Industry Center at Ship Creek will enhance Anchorage's year round appeal.

2000 Goals

- Promote Anchorage as site for global logistics and light manufacturing.
- Promote Anchorage waterfront as multi-modal transportation/trade center.
- Expand use of Anchorage businesses to Alaska communities, especially health care and education.
- Promote year round tourism and convention infrastructure and destinations.
- Provide applied economic research/analysis for business opportunities in Anchorage.

FY 2000 Budget

\$47,692	State ARDOR grant
47,692	Locally generated match
1,060,616	Additional funds generated or leveraged by the ARDOR (may include State funds)
\$1,156,000	Total (The State ARDOR grant funds 4% of the total.)

Board of Directors

Executive Committee

Mel Nichols, (Chair) engineering
Jim Gorski, (Vice Chair) prof services
Gene O'Hara, (Sec/Treas) health services
Ernie Hall, manufacturing
Kirk McGee, Native corporation

Members

Mike Brady, construction
William Deaver, transportation
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Dale Mormon, construction and equipment
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Dana Tindall, communications
Nancy Usera, financial
Mary Sholton-Witte, transportation

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Ethan Berkowitz, State Rep
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Ronald Duncan, communications
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Wilson Hughes, communications
Mary Hughes, Municipality
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Morton Plumb Jr., transportation
Deborah Sedwick, DCED Commissioner
B. John Shipe, Financial
Randy Simmons, industrial dev.
Dick Tremaine, Anch. Assembly
Fay Von Gemmingen, Assembly

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Arctic Development Council, Inc.

1999 Examples of Accomplishments

- Continued to provide technical assistance to more than 400 individuals of the North Slope Borough, including conducting a series of 2 business plan development workshops in each of the 8 communities.
- Provided revolving loan fund financing for 2 new small businesses on the North Slope. Total active loans = 9, reflecting \$221,380 in loans. Types of loans extended: Native arts and crafts, welding services, video game rentals/sales, coffeehouse, bed & breakfast and youth-owned concession stand.
- Developed Educating Youth on Entrepreneurship (EYE) Program. This helps young adults learn all aspects of ownership and operation of a small business. The 13 EYE graduates selected a small business to own and presently operate a successful concession stand at the Barrow Roller Rink.
- Implemented Youth Revolving Loan Fund - any youth organizations in the North Slope Borough are eligible to apply for a loan. Funding ranges from \$1,000 to \$5,000. One loan approved to date - a concession stand.
- Established and presently operate a Native arts and crafts gift shop; marketing outlet for local artisans.
- Continue to operate a business incubator having 4 clients and 5 successful graduates.
- Established a business resource library in the ADC Small Business Support Center providing a centralized location for residents. The library has more than 600 business-related materials (cataloged into the local Tuzzy library system) along with 2 personal computers (including a variety of software and a funding database) for client use.
- Continue to operate Project Information Center (PIC) for North Slope contractors who may review and/or purchase upcoming construction projects for bid. This year 50 borough capital improvement project bid packets were made available in the PIC and 149 plans and specifications sold. Also, available in the PIC are procurements for state and federal government construction projects.

3 Top Economic/Business Needs

- Privatization of borough services to private industry to increase small business ownership opportunities and efficiency of operations.
- Develop cultural tourism to replace dwindling oil revenues.
- Increase circulation of dollars spent on the North Slope.

FY 2000 Goals

- Privatization of North Slope Borough services designated for private sector operations.
- Expand Youth Entrepreneurship Program to at least 1 outlying village.
- Expand Business Resource Library to the 7 outlying villages.
- Establish business incubator in at least 1 village.
- Develop gift shop into an artisan's cooperative, if the community wants one. Otherwise develop gift shop into privately-owned business.

FY 2000 Budget

\$ 47,692	State ARDOR grant
423,000	Locally generated match - North Slope Borough
0	Additional funds generated or leveraged by the ARDOR (may include State funds)
\$470,692	Total (The State ARDOR grant funds 10% of the total.)

Board of Directors

Executive Committee

Mayor Jim Vorderstrasse (Pres),
City of Barrow
Robert Harcharek (Vice-Pres),
North Slope Borough
Ron Panigeo (Treas), Ukpeagvik
Inupiat Corp
Lucy Brown (Sec), Tagiugmiulla
Nunumiullu Housing
Authority

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Vacant, Native Village of Barrow
Ray Jakubczak, BP Exploration
Dorcus Thompson, Cape
Smythe Air Service
Wes Osowski, National Bank of
Alaska
Forrest "Deano" Olemaun,
Arctic Slope Regional
Corporation
Lisa Asplin, Iisagvik College

Contact

Deborah Punton, Exec. Dir.
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Barrow, Alaska 99723
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Fax: 852-4147
E-mail: dpunton_adc@barrow.com

**"I believe that ADC here in Barrow is a great asset to the people of the North Slope. When I was in need of services to put my business package together, they were of great assistance. They helped me with putting my business plan, budget and financial projections together."
Max Ahgeak, Egasak Electric Enterprises**



Bering Strait Regional Development Organization

1999 Examples of Accomplishments

- Began implementation planning and activities in response to the Comprehensive/Regional Economic Development Strategy (CEDS/REDS) for the region.
- Sponsored a regional freight symposium.
- Sponsored a regional village store managers workshop.
- Made application to USDA-NRCS for designation as a Resource Conservation and Development (RC&D) Area.
- Organized the Native Voices Theatre.
- Started a business incubator process to nurture development of construction trade skills and businesses in the region. Organized a Construction Technology Support Unity (CTSU) to assist communities with all aspects of force account construction projects.

Designation as the ARDOR has created a permanent, full time position, the Planning Development Specialist. With the support of Kawerak's CED program we expect to have a minimum of three new businesses going during 1999 and 30% increase in local construction activity.

3 Top Economic/Business Needs

- Education at all levels.
- Access to risk-subsidized capital.
- More participation by local residents in the construction trades.

These three elements will enhance job creation and business development and wealth creation by: (1) establishing a labor force that can take advantage of opportunities that presently, in many cases, requires importing skilled personnel with the concomitant outflow of income; (2) allowing small enterprises to start up and expand; and (3) increasing income from construction (architect, engineer, material supply, labor) which will add dramatically to the village and regional income flows and create additional wealth.

2000 Goals

- Continue implementing elements of the CEDS and REDS in the region.
- Develop and conduct workshops for the annual update the CEDS/REDS.
- Present a successful application for designation by USDA-NRCS as a RC&D.
- The Native Voices Theatre will have several performances and research opportunities for high school students.
- Help new businesses and growing businesses with feasibility analyses and business planning and management.
- Organize and conduct a follow-up village store manager's training workshop.
- Organize and conduct a regional economic development symposium to explore potential economic development opportunities in the region.
- Provide follow-up assistance and information in response to issues learned at the regional freight symposium.

FY 2000 Budget

\$47,692	State ARDOR grant
15,896	Locally generated match
0	Additional funds generated or leveraged by the ARDOR (may include State funds)
\$63,588	Total (The State ARDOR grant funds 39% of the total.)

Board of Directors

Executive Committee

Robert Keith (Chair), Kawerak, Inc.

Don Stiles (Vice-Chair), fisheries

Mary Darlene Charles (Sec.), Southcentral Sub-regional Villages

Members

Fred Eningowuk, banking

Simon Bekoalok, Jr., Kawerak, Inc.

Mark Johnson, tourism

Jim Rowe, transportation

Tom Sparks, minerals

Kevin Zweifel, Norton Sound

Wayne Mundy, Bering Strait Housing

Not designated, City of Nome
Gilbert Tocktoo, Northern Sub-regional Villages

Fritz Waghyl, St. Lawrence Island Villages

Steve Longley, Nome Sub-region

Contact

Norm Stadem, Director

% Kawerak, inc.

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Phone: 443-9005

Fax: 443-2591

E-mail: stadem@kawerak.org



Copper Valley Economic Development Council, Inc.

1999 Examples of Accomplishments

- Consolidated Area Strategic Plan.
- Community profile updated.
- Computerized Small Business Resource Center.
- Small Business Training Consortium with University of Alaska.
- IRS 501C 3 Designation obtained.
- Community needs assessment conducted.
- USDA RC&D applicant designation.
- Eastern Alaska Interior Forum.
- Small business development and training.

Top Economic/Business Needs

- Natural gas pipeline
- Railroad expansion
- Wrangell St. Elias National Park Visitor Center
- McCarthy Highway improvements
- Local control/management of critical issues
- Physical Infrastructure/services to support growth
- Preservation/enhancement of rural lifestyle

The CVEDC has created an integrated plan of work that includes four major areas:

- Organizational development
- Community development
- Economic development
- Natural resource conservation and development

This plan will help guide the Copper Valley into the next century.

The CVEDC is guided by the principles that:

- The Copper Valley region and its residents will manage and control the future of the area through local participation and decision making.
- Local citizens, businesses, and organizations will be the beneficiaries of the economic opportunities that arise in the Copper Valley.
- The rural lifestyle of the area will be preserved and enhanced, maintaining the Copper Valley as a quality place to live, work and play.

Board of Directors

Members

Theresa Absher, (Pres)
business
Vickie Snitzler, (Vice-Pres)
government
Thelma Sclerank, (Sec)
employment
Daryl Lowe, (Treas) banking
Phil Baur
Earl Bell, labor (retired)
John Downes, business
Carol Neeley, business
Robert Wilkinson

Contact

Larry Dickerson, Exec Dir.
P.O. Box 9
Glennallen, Alaska 99588
Phone: 822-5001
Fax: 822-5009
E-mail: cvedc@alaska.net

"The Copper Valley Economic Development Council is creating the Donna Tollman award to be presented to the person that most exemplifies service to the Copper Valley community. The first award will be presented this year."

FY 2000 Budget

\$47,692	State ARDOR grant
20,354	Locally generated match
0	Additional funds generated or leveraged by the ARDOR
\$ 68,046	Total (The State ARDOR grant funds 42% of the total.)



Interior Rivers RC&D Council

History

The Interior Rivers Resource Conservation and Development (RC&D) Council, formed in 1997, completed its Area Plan in September of that year. The Council members articulated the following vision and mission:

Vision

The Interior Rivers RC&D area is at 20th century standards (no Third World conditions) with local control that guides strong economic development while protecting the environment, subsistence resources, and the cultural heritage of all people.

Mission

The mission of the Interior Rivers RC&D Council is to create long-term jobs and improve village living standards on behalf of all residents of the region.

The Council has provided assistance to a number of local projects, such as helping Chuathbaluk obtain funds for utility planning and assisting in the preparation of an Overall Economic Development Plan for Russian Mission. A project to develop community profile maps for four villages is nearing completion. The Council obtained designation as an ARDOR in 1999, and is beginning its first year of activity under this program.

Plan for 1999/2000 Goals

The Council's first year ARDOR workplan focuses on the development of a regional economic development strategy. Using ARDOR funds and a Magnuson-Stevens grant, the Council will conduct research and surveys, host village meetings on economic issues, and develop a strategy for economic diversification. This strategy will be consistent with the Council's vision and mission, and will demonstrate respect for local values.

In response to a regional meeting held in Aniak in March 1999, the Council is also working on plans for a regional training center. A steering committee has been meeting to guide plans for a training center that will meet local needs for job skills and life skills training.

The Council's community mapping project is expected to continue into 2000 with the completion of maps for all villages in the region.

Board of Directors

Executive Committee

Arnold Hamilton, (Pres)
Shageluk
Carl Morgan, Jr., (Vice-Pres)
Kuskokwim Native Assoc.
Lovey Duffy, (Sec)
Russian Mission
Robert Walker, (Treas) Anvik
Jeff Nelson, Aniak

Members

Brian Soosuk, Chuathbaluk
Gabe Alexie, Crooked Creek
Gabe Nicholi, Grayling
Alfr J Demientieff, Holy Cross
Liza Phillips, Lower Kalskag
Theodore Gordon, Red Devil
Andrew Gusty, Stony River
Evan Bobby, Jr., Lime Village
Angela Morgan, The
Kuskokwim Corporation
Phillip Demientieff, Tanana
Chiefs Conference
Kenny Morgan, Kuspuk School
District

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FY 2000 Budget

\$47,692	State ARDOR grant
3,417	Locally generated match
33,585	Additional funds generated or leveraged by the ARDOR
\$ 84,694	Total FY00 Budget (The State ARDOR grant funds 57% of the total.)



Kenai Peninsula Borough Economic Development District

1999 Examples of Accomplishments

- The new Kenai Peninsula Borough industrial prospectus was designed and written.
- Implemented electronic commerce training for small businesses through the Northwest Economic Development Network Project. Trained over 103 participants in Basic and Advanced Internet, Business and Marketing, and Web Page Design. Electronic commerce training opens the doors to global markets for small businesses, providing them with the tools to compete in the new electronic marketplace.
- Provided business consultation and training to over 220 clients, resulting in 41 jobs created and 37 jobs retained, and leveraged over \$2 million in loans. Business counseling and training help new and existing businesses solve a variety of business problems.

3 Top Economic/Business Needs

- Expansion of the Revolving Loan Fund pool and investigation of other financing alternatives. Recapitalization of the Revolving Loan Fund would allow EDD to partner with local banks to finance more businesses considered unlikely candidates for conventional financing in a conservative lending environment.
- Assessment of infrastructure needs for value added and communications technology. Infrastructure and skilled workers are critical elements for industrial growth.
- Diversification and development of existing business. Development of existing industry strengthens the industrial base and creates jobs.

2000 Goal

- Establish organizations leadership role in electronic commerce, work to strengthen information technology access across economic sectors. Assist small businesses in overcoming the "rural penalty" that can result from geographic isolation by using and developing telecommunications resources.
- Target recruitment activities towards industries that can take advantage of the Kenai Peninsula's infrastructure and resource assets. Identifying assets and targeting marketing efforts towards these assets will help bring new industries to the Kenai Peninsula Borough.
- Continue to strengthen relationships with municipal/community groups to promote locally driven economic development activities. Local participation in the development of goals will ensure community support.
- Continue the creation of new jobs through business assistance.
- Expand the Business Innovation Center activities to target technology and value-added businesses. The BIC and other business assistance activities promote economic growth.

FY 2000 Budget

\$47,692	State ARDOR grant
47,692	Locally generated match
461,402	Other operating funds leveraged by the ARDOR (may include State funds) ?
<hr/>	
\$556,786	Total Operating Funds
50,000	Pass-thru and project specific funds ?
<hr/>	
\$606,786	Total FY00 Budget (The State ARDOR grant funds 7% of the total.)

Board of Directors

Executive Committee

- Tom Boedeker, (Pres) city manager/City of Soldotna
- Jim Chambers, (Vice Pres) organized labor
- Pat Norman, (Sec) minority representative/Village of Port Graham
- Jeff Sinz, (Treas) finance/Kenai Peninsula Borough

Members

- John Crawford, minority representative, City of Seldovia
- Philemon Morris, transportation, City of Kachemak
- Bill Popp, non-profit, borough assembly
- Bob Satin, recreation, City of Seward
- Diana Spann, telecommunications, City of Soldotna
- Mary Tougas, retail, City of Soldotna
- Luke Welles, retail, City of Homer
- John Williams, real estate, City of Kenai

Contact

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 Phone: 283-3335
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 E-Mail: info@kpedd.org
 Web: http://www.kpedd.org

If this ARDOR had more resources we could increase our outreach to provide better services to the remote villages; spend more time cultivating new industries; and concentrate on more in-depth market research in order to keep abreast of economic trends, thus enabling the organization to become more responsive to business opportunities.



Lower Kuskokwim Economic Development Council, Inc.

1999 Examples of Accomplishments

- Three tourism product development tours for travel industry representatives to our region completed.
- Provided capacity building to village organizations to establish and grow local small businesses.
- Completed 2 business workshops for potential business operators.
- Promoted school-to-work activities for high school students, in partnership with the school district.
- Helped two communities seek and obtain funding to develop and implement a local economic development plan where none previously existed.
- Completed the second year of our salmon quality enhancement project, providing 75 local commercial fishermen a pay incentive for icing their catch.

The above supports job creation by providing information on business opportunities; how to access financing and technical assistance; how to operate a business successfully; educating those doing business in the region about the communities and services currently available; and giving communities a vision of how they want to improve their economy.

3 Top Economic/Business Needs

- Develop new markets for value-added fish products from our commercial salmon fisheries.
- Provide technical assistance to potential businesses, including assistance with preparing a business plan, securing financing, and managing a business successfully.
- Access to capital for business development.

The commercial salmon fishery is currently the economic mainstay of the region. Improving product marketability and new product development will increase the return to fishermen and allow for new jobs in the region.

2000 Goals

- Maintain the salmon quality enhancement project for the region's commercial salmon fishery.
- Complete economic development plans in two villages.
- Continue promoting local tourism through product development tours to our region for travel industry representatives.

The above will revitalize the region's fishery, the current leading industry, and lay the groundwork for new business development (tourism, food and lodging facilities).

FY 2000 Budget

\$47,692	State ARDOR grant
25,000	Locally generated match
0	Additional funds generated or leveraged by the ARDOR
\$72,692	Total (The State ARDOR grant funds 65% of the total.)

Board of Directors

Executive Committee

Andrew Guy, (Chair) Calista Native Corporation, Inc.
 Myron Naneng, (Vice-Chair) President AVCP, Inc.
 Max Angellan, (Treas) IRA Council
 Peter Julius, (Sec) IRA Council Administrator, business

Members

Willard Church, business, Native Village of Kwinhagak
 Mary Kapsner, State Rep.
 Richard Foster, State Rep.
 Sam George, business, Yupiit School District
 Lyman Hoffman, State Senator
 Alexie Jimmie, business, United Villages Inc. President
 Jackson Lomack, IRA Council
 Fred Phillip, IRA Council, Coastal Villages (CDQ) President
 Les Daenzer, Lower Kuskokwim School District

Contact

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 Fax: 543-3130
 E-mail: carl_berger@ddc-alaska.org

"Starting a new business is like caring for a baby. The baby is helpless and you must do whatever has to be done to meet its needs and keep it healthy, so it will grow and prosper." Alexie Jimmie, LKEDC Board Member



Lower Yukon Economic Development Council

1999 Examples of Accomplishments

- With DCRA and VISTA from the region, held a "Champion Community" meeting in Marshall.
- Assisted Emmonak Tribal Council's with value added fish plant sales to sample Lower Yukon School District school sites.
- Assisted the Native Village of Chuloonawick with a "Small and Needy Tribes" grant.
- Assisted Kotlik and Sheldon Point with fishery related planning.

The USDA Champion Community project brings together local, State and federal resources to address economic development in Marshall. In-region sales of fish helps circulate dollars in the region, thereby improving the local economy. The "Small and Needy Tribes" grant will further economic opportunities of individuals in the region. Fishery related planning is addressing fish buying and value added production opportunities.

3 Top Economic/Business Needs

- Business training for residents.
- Career guidance.
- Collateral for business loans.

These are on-going needs that, with long term intervention, can achieve economic growth in the region. The Champion Community project, if pursued in additional villages, may be a forum to address business training needs and opportunities. The LYEDC, in cooperation with the Lower Yukon School District, intends to hold a meeting to discuss agency cooperation for career guidance for the area's youth. Collateral for business loans is still an obstacle for many. To their credit, the Yukon Delta Fish Development Association and Association of Village Council Presidents, Inc. have tailored loans for region residents with collateral problems.

2000 Goals

- Assuming LYEDC and LYSD partner to do career guidance, will prepare and implement work plan for the same.
- Establish administrative capabilities, develop a five year economic strategy, and provide career guidance for young tribal members for the Native Village of Chuloonawick.
- Expand marketing for the Emmonak value added fish plant.
- Continue developing Kotlik and Sheldon Point fish economy.
- Achieve a federal/State/community partnership in Marshall to better coordinate economic development efforts in the community.

Career guidance is an effort to ensure that future jobs in the region will be held by area residents. Should the pilot sites in the school district do well, sales to the entire school district will be the goal. Individual community work is helping build the local economic base.

FY 2000 Budget

\$47,692	State ARDOR grant
15,738	Locally generated match
0	Other funds generated or leveraged by the ARDOR (may include State funds)
\$63,430	Total (The State ARDOR grant funds 75% of the total.)

Board of Directors

Executive Committee

George Owletuck (Pres), tribal council
Andrew Brown (Vice-Pres), education
Bay Johnson (Sec/Treas), banking

Members

Edward Adams, Sr., tribal council
Nick Andrews, Jr., tribal council
Andrew Kelly, Sr., business
Dan Kirby, transportation
Benny Okitkun, Native corporation
Alvin Owletuck, city
Laura Peterson, city
Doug Redfox, city
Anthony Ulak, city
Richard Weaver, Sr., city

Contact

Scott Wagner, Exec Dir.
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Fax: 745-7984
E-mail: lyedc@mtaonline.net

**"The Lower Yukon Economic Development Council has worked with me on our pursuit of value-added fish plant."
Bill Akers, Chulunawik Native Corporation**



Matanuska-Susitna Resource Conservation & Development Council

Our purpose is to enhance the employment and tax base of the Mat-Su Borough while maintaining a high quality of life for residents.

1999 Examples of Accomplishments

- Assisted Mat-Su Port Commission in obtaining funding.
- Hosted the 1st Annual Valley Economic Development Conference.
- Drafted Overall Economic Development Plan.
- Completed & distributed Timber Utilization Plan for the Mat-Su.
- Completed construction of the Houston Educational Park.
- Completed Houston Homesteaders Community Center.
- Completed Big Lake's 100 Junker Rally (clean-up project).
- Completed economic recovery grants for Wasilla, Houston, and Big Lake.
- Provided continuing assistance to: Wasilla Wonderland, Palmer Children's Playground, Houston Homesteaders, Skateboard Park, Goldrush Centennial, Palmer Hockey Association, Wasilla Soil and Water Conservation District.
- Completed portable dry kiln project.

3 Top Economic/Business Needs

- Lack of a port: A bulk commodity port is needed to facilitate mineral development in interior Alaska.
- Investment in infrastructure: Improved road and/or rail access is needed to develop Port MacKenzie and Hatcher Pass.
- Increased private ownership of land: Only 3% of the Mat-Su Borough is in private hands. State land (60%) is not managed for economic growth.

2000 Goals

- Market Port MacKenzie as an industrial site.
- Development of Hatcher Pass ski area.
- Continue work on Chijik Road access project.
- Complete the Overall Economic Development Plan.
- Complete Timber Bridge commercialization project.
- Assist the City of Houston with feasibility study of a septic treatment site.
- Apply for Economic Development District designation.
- Big Lake Fish Hatchery: Acquire land and market property.
- Host 2nd Annual Valley Economic Development Conference.

FY 2000 Budget

\$47,692	State ARDOR grant
25,500	Locally generated match
111,800	Additional funds generated or leveraged by the ARDOR (may include State funds)
\$184,992	Total (The State ARDOR grant funds 26% of the total.)

Board of Directors

Executive Committee

Bruce Borup, (Pres) Palmer EDA
Jim Ericksen, (Vice Pres) AK
Farmers & Stock Growers
Al Jorgenson, (Sec) Mat-Su Native
Federation
"Tiny" DePriest, (Treas) Greater
Palmer Chamber
Ted Smith, Willow Chamber Past
Pres.

Members

Ed Brittingham, Wasilla Chamber
Dan Deedy, Enstar Gas
Steve Levine, MSB School District
Edna DeVries, City of Palmer
Janet Kincaid, Mat-Su Convention &
Visitors Bureau
Clarence Furbush, Palmer SWCD
Donna Totten, Houston Chamber
Mayor Sarah Palin, City of Wasilla
Jackson Parry, Upper Su SWCD
Anna Von Reitz, Big Lake Chamber
Wayne Carmony, Mat-Su Electric
Assoc.
Darcie Salmon, Valley Board of
Realtors
Tim Sullivan, Small Bus Dev Cntr
Steve Totten, City of Houston
Dick Zobel, Alaska Soil & Water
Conservation District
Chris Holmes, MTA
Meg Burgett, Wasilla SWCD
Debby Retherford, NBA
Michael Scott, Mat-Su Borough
Manager
Bill Stearns, Fairbanks Chamber

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E-mail: matsurcd@mtaonline.net



Northwest Arctic Borough Economic Development Commission

1999 Examples of Accomplishments

- Established Small Business Grant Program and awarded grants to 5 small business entrepreneurs.
- Designated as a Champion Community through the Empowerment Zone application process.
- Was awarded Community Development Block Grant to design a clinic in our region.
- Provided matching grants for a Foam Panel Manufacturer, Value Added Processor and a Burnbox Construction Project.

3 Top Economic/Business Needs

- Tourism expansion.
- Fisheries development.
- Technology-based businesses.

2000 Goals

- Establish a tourism marketing council.
- Provide grant writing training to City and IRA governments.
- Establish a youth loan program.
- Organize and hold an "Arctic Business Gathering" conference.

Board of Directors

Levi Cleveland, (Chair)
Bert Adams, business
Jo Oxentenko, banking
Guy Adams, non-profit
Frank Greene, NAB Planning Commission
Garth Elson, (Vice Chair) business
Martha Whiting, NANA Regional Corp
Brad Reeve, utilities
Jeff Hadley, for-profit

Ex Officio

Andy Baker, Assembly President
Chuck Greene, Borough Mayor

Contact

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Fax: 442-2930
E-mail:
denise_koutchak@yahoo.com

If this ARDOR had more resources- the ARDOR would address some of the more costly infrastructure needs (such as water and sewer, better or new roads) that are required to develop and maintain a new business, tourism, or industry.

FY 2000 Budget

\$47,692	State ARDOR grant
60,000	Locally generated match
0	Other funds generated or leveraged by the ARDOR (may include State funds).
\$107,692	Total (The State ARDOR grant funds 44% of the total.)



Prince William Sound Economic Development Council

1999 Examples of Accomplishments

- Assessment of spot shrimp in Prince William Sound - Valdez Native Tribe and NOAA.
- Approval of Comprehensive Economic Development Strategy (CEDS) by U.S. Department of Commerce, Economic Development Administration.
- Provided small business seminars and services with University of Alaska Small Business Development Center - Rural Outreach Program in Prince William Sound.
- Completed strategy to establish Maritime Response Center - Valdez.
- Provided assistance to Valdez Museum and Lord Cultural Resources/Toronto on expansion plan for museum.
- Hosted Regional Development meeting with Valdez Visitor and Convention Bureau.
- Completed project management for Tatitlek Coho Salmon release, funded by the Exxon Valdez Oil Spill Trustees.

The Spot Shrimp Population Study is a five year study to estimate the abundance of the spot shrimp population in western Prince William Sound. The project has the potential to provide useful information on a resource important to subsistence users and potentially to commercial fishers.

3 Top Economic/Business Needs

- Diversity in economic base for region.
- Work Force Development
- Natural gas line from the North Slope to Valdez.

2000 Goals

- Complete application to become RC&D.
- Become Federal Economic Development District.
- Obtain funding to build environmentally approved sewage pump-out stations in Chenega Bay, Cordova, Tatitlek and Whittier.
- Establish maritime response center in Valdez, with training satellites in other Prince William Sound communities.

A Maritime Response Center in Prince William Sound will provide a broader economic base by offering more education and technical training in oil spill response and prevention. Programs will be offered through Prince William Sound Community College. Conferences and seminars will be held throughout the year with other response and prevention specialists. The proposed Maritime Response Center - Valdez will offer technical skills necessary to train highly capable response teams for Alaska. As the program expands, these teams will be able to mobilize anywhere needed.

FY 2000 Budget

\$47,692	State ARDOR grant
15,896	Locally generated match
29,926	Additional funds generated or leveraged by the ARDOR (may include State funds)
\$ 93,514	Total (The State ARDOR grant funds 51% of the total.)

Board of Directors

Dave Dengal (Pres), Valdez
 Dave Cobb, (Vice Pres), Valdez Mayor, fisheries
 Jim Roberts (Treas), Cordova
 Betty Miller (Sec), oil industry
 John Christensen, Chenega Bay IRA Council
 Larry Hancock, Cordova
 Gary Kompkoff, Tatitlek IRA Council
 Robin Moore, Whittier
 Chuck Totemoff, Chenega Corp.

Membership

BP Exploration, Alaska
 Alaska Tanker Company
 Alyeska Pipeline Service Company
 ARCO Alaska, Inc.
 Cities of Cordova, Valdez and Whittier
 Cooper Valley Telephone Coop.
 Copper Valley Cellular
 Chenega Corporation
 Cordova Air Service
 Carr Gottstein Foods
 First National Bank of Anchorage
 National Bank of Alaska
 Tatitlek IRA Council
 Village Inn
 Pat Day
 Steph Engineers
 Valdez Chamber of Commerce
 Valdez Convention Visitors Bureau

Contact

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 Fax: 835-3265
 E-mail: pwsedc@alaska.net

Prince William Sound Economic Development Council has sponsored over \$5,367,000 in projects since 1991 leveraged by approximately \$486,426 in State ARDOR funds.



Southeast Conference

1999 Examples of Accomplishments

- Publication of the Southeast Alaska Transportation Plan, bringing together the communities of the region and insuring their needs were included in the plan.
- Creation of the Southeast Electrical Intertie Committee to work toward implementation of the the Southeast Alaska Electrical Intertie System Plan.
- Provided technical and financial assistance for tourism development, fisheries enhancement, community development, and business infrastructure projects.
- Undertook major economic development planning/research project to seek federal designation as an Economic Development District (EDD) under the US Dept. of Commerce, Economic Development Agency.

This EDD designation will complement the State designation of the Southeast Conference as an Alaska Regional Development Organization and the US Dept. of Agriculture designation as a Resource Conservation and Development Council.

3 Top Economic/Business Needs

- Implement the Southeast Alaska Transportation Plan to improve transportation connections, reduce operating costs, increase capacity and provide more frequent and convenient service.
- Strengthen economic opportunities through an improved electrical intertie system of sharing energy resources, lowering cost and providing for environmental conservation.
- Stimulate economic recovery and stabilization in communities adversely affected by downturns in the natural resource based economy.

Continuation and improvement to the Alaska Marine Highway System (AMHS) is critical to the future economic and social life of the region. The AMHS ties the communities of the region together.

2000 Goals

- Develop regional infrastructure through implementation of the Southeast Alaska Transportation Plan and the Southeast Electrical Intertie System Plan.
- Support and assist communities in planning and executing local and regional economic development efforts and projects.
- Encourage and assist communities and organizations in responsible and balanced regional development and conservation efforts, as demonstrated by the MendeHall Watershed Management Project and the investigation of a Green Star program for marine vessels in Southeast Alaska.
- Strengthen partnerships with other organizations for the protection and improvement of the quality of life for all residents.

Southeast Conference will strive to achieve two major objectives in support of its mission to build strong economies, healthy communities and quality environment for Southeast Alaska: (1) Build upon those regional infrastructure projects that bring the communities of the region closer together and (2) Enhance the opportunity of community development through support and assistance at the individual project level.

FY 2000 Budget

\$47,692	State ARDOR grant
47,692	Locally generated match
268,500	Additional funds generated or leveraged by the ARDOR (may include State funds)
\$363,884	Total (The State ARDOR grant funds 13% of the total.)

Board of Directors

Executive Committee

Bob Ward (Pres), public
Rosemary Hagevig (1st VP), private
John "JC" Conley (2nd VP), private
Tom Briggs (Sec), public
Lonnie Anderson (Treas), Mayor of Kake
Linda Snow (Past Pres), at large

Members

John Pearson, private
Maxine Thompson, Mayor of Angoon
Cheryl Lowden, public
Rob Allen, private
Murray Walsh, private

Ex Officio

Frank Homan, Executive Director

Contact

Frank Homan, Exec. Director
Southeast Conference
213 Third Street, Suite 124
Juneau, Alaska 99801
Phone: 463-3445
Fax: 463-5670
E-mail: seconf@ptialaska.net

If this ARDOR had more resources- the Southeast Conference would play a more aggressive role in providing direct technical assistance to individuals and groups seeking creation and retention of new wealth in the region. Opportunities exist in all sectors of Southeast Alaska's economy. Resource enhancement and value-added manufacturing are possibilities.



Southwest Alaska Municipal Conference

1999 Examples of Accomplishments

- Conducted two regional conferences.
- Through SWAMC's resolutions and legislative policy process, developed united positions on numerous issues, including transportation funding, increased fishery and marine ecosystem research, fishery disaster aid and State university funding.
- Completed Southwest Alaska brochure which highlights various community tourism products. The brochure will assist in educating existing audiences and attracting new visitor target markets.

The regional conferences provided a variety of training opportunities including tourism business development, marketing, infrastructure development, and electronic commerce opportunities that assist in business development and job creation. A united front on public policy issues is essential to create more stable local economies, improve infrastructure, and provide a better economic climate.

3 Top Economic/Business Needs

- Education and training.
- Diversification of local economies.
- Infrastructure development.

The local economies and availability of jobs in many Southwest Alaska communities has been adversely impacted by changes associated with the commercial fishing industry, including world market conditions, technology, and climate. Infrastructure development is essential for economic diversification. Education and training is critical for work force development to meet the challenges of diversification.

2000 Goals

- Conduct successful regional conferences.
- Produce Comprehensive Economic Development Strategy (CEDS) for Southwest Alaska.
- Improve visibility and utilization of regional tourism services and facilities.
- Be a strong voice for businesses and people in regard to public policy issues affecting the Southwest region.

Public policy that is favorable to rural communities can improve the climate for economic diversification, business development, and job creation. Promoting available tourism services will assist in strengthening and diversifying local economies, as well as attracting new interest in rural business. An annual economic development plan can be an important resource for Southwest communities by providing up-to-date demographic and economic information. Regional conferences are critical communication and networking situations for Southwest community representatives.

FY 2000 Budget

\$47,692	State ARDOR grant
47,692	Locally generated match
126,108	Other funds generated or leveraged by the ARDOR (may include State funds)
\$221,492	Total (The State ARDOR grant funds 21% of the total.)

Board of Directors

Executive Board

Mayor Frank Kelty (Pres), City of Unalaska
Wayne Stevens (Vice-Pres), Chamber
Carvel Zimin (Sec/Treas), Bristol Bay Borough
Alice Ruby, Choggiung Ltd.
Kara Sandvik, Key Bank of Alaska

Members

Mayor Glen Alsworth, Lake Clark Air/The Farm Lodge
Steven Hakala, Aleutians East Borough
Stephanie Madsen, Aleutian Seafood Processors Assoc.
Jack McFarland, Kodiak Island Borough
Mary Monroe, Kodiak Island Borough
Joe Sullivan, (At-Large) At-Sea Processors Association

Contact

Mark Earnest
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E-mail: mark_earnest@swamc.org

The Southwest Alaska Municipal Conference is indeed an important advocacy group that represents a dynamic region of our state. Pointing out the inter-relationships of economic, social, and cultural issues of southwestern villages with all other rural and urban communities is an important mission and a vital service to the future of Alaska." Lt. Governor Fran Ulmer





REPRESENTATIVE ALAN AUSTERMAN Alaska State Legislature

P.O. Box 2368, Kodiak, Alaska 99615 (907) 486-5930 • Session: State Capitol, Juneau, Alaska 99801 465-2487

SPONSOR STATEMENT - HB 265

In 1988 the Alaska Regional Development Organizations program was created in statute. Commonly referred to as ARDOR's, they are private, nonprofit corporations formed by local initiative to promote private sector economic development within their designated regions.

The statutory authority for the Alaska Regional Economic Assistance Program is found in AS 44.33.895. Formerly AS 44.47.900, this statute change was the result of Chapter 58 SLA 1999 which merged and changed the name of certain departments in the executive branch of state government. This program is currently under the administrative oversight of the Division of Municipal & Regional Assistance within the Department of Community and Economic Development.

The ARDOR program has led to the formation of 13 regional development organizations such as the Anchorage Economic Development Corporation, the Southwest Alaska Municipal Conference, the Southeast Conference, and the Lower Kuskokwim Economic Development Council. Nearly two hundred representatives of local political, social and economic interests, who serve on ARDOR boards of directors, are working together to lead their regions to greater economic self-sufficiency.

The ARDOR grants, while not particularly large, are not tied to specific projects and so may be used for operating expenses and to leverage dollars from other sources. These are the hardest kind of dollars to find and are, therefore, extremely valuable to the organizations. Millions of additional dollars have been leveraged from federal, private and other funding sources.

ARDOR's are achieving significant success in sustainable development through the establishment of production and marketing cooperatives, improved access to capital, development and marketing of tourism destinations, technical assistance and training for local businesses and entrepreneurs, support to value added production and proactive involvement in locally initiated economic development projects.

Another important benefit afforded ARDOR's by statute is the ability of state agencies to enter into contracts, with them being exempt from a competitive procurement process. This has proven beneficial to ARDOR's, who are able to provide greater local expertise in service delivery or project implementation, and to state agencies who through the ARDOR's, are able to deliver services or projects more efficiently and with less administrative burden.

Representative Alan Austerman

SPONSOR STATEMENT - HB 265

Page 2

Sound economic development relies heavily on solid partnerships between the public and private sectors. The ARDOR's were conceived to facilitate this kind of partnering and to bring a regional perspective to the discussion of economic development issues.

The original legislation had a sunset clause ending the program in 1993. This bill extends that date to July 1, 2003. I believe it is in the best interest of the State of Alaska to continue the ARDOR program to insure the ongoing economic viability of Alaska's various regions.



ALASKA STATE LEGISLATURE

Please enter into the record my testimony to the House Finance
 Committee on HB 265 ARDOR Exp. Dated 3-22-00
Committee Name
Bill / Subject

The Fairbanks North Star Borough has recently submitted a request to be designated as an ARDOR under the Economic Development Cmsn. The Commission recognizes the need for an organization to serve community and economic development opportunities. The ARDOR program is a vital part of structuring complementary organizations throughout the state which may cooperate and align economic development activities to promote synergy, lower development costs and other vital activities that overcome barriers to growth and economic diversification. A healthy economy is the cornerstone for a community's ability to develop a stable tax base that contributes towards greater self sufficiency. Please extend the ARDOR program so communities have the economic tools needed.

SIGNED: [Signature] Econ. Dev. Director

Testifier: Fairbanks North Star Borough
 Representing
809 Pioneer Way Fairbanks, AK 99701
 Address / Phone Number

Alaska State Statute

Article 8C. Alaska Regional Economic Assistance Program.

Sec. 44.33.895. Alaska regional economic assistance program. (a) The department shall

(1) encourage the formation of regional development organizations by providing assistance in forming organizations to interested individuals, including information on how to qualify and apply for regional development grants and federal funding under 42 U.S.C. 3121 - 3246 (Public Works and Economic Development Act of 1965), as amended;

(2) assist an interested individual in establishing boundaries for a proposed organization to ensure that the region

(A) is of sufficient geographic size and contains a large enough population to form an economically viable unit with shared interests, resources, traditions, and goals;

(B) contains at least one municipality that serves as a regional center; and

(C) contains the entire area of each municipality included in the region;

(3) gather information about regional economic issues, international trade, and tourism from organizations;

(4) serve as liaison between organizations and other state agencies and encourage other agencies to make resources available to help accomplish goals of the organizations;

(5) assist each organization to

(A) provide services designed to encourage economic development to local communities and businesses;

(B) collect and distribute economic information relevant to the region;

(C) participate in state marketing campaigns and join state trade missions that are relevant to the region; and

(D) develop and implement strategies to attract new industry, expand international trade opportunities, and encourage tourism within the region.

(b) Subject to (c) of this section, the department may make regional development grants to organizations for projects the department determines will be of value in encouraging economic development. During a fiscal year, the department may make no more than 15 grants and may only make grants to one organization from a particular region. An organization that is designated an economic development district under 42 U.S.C. 3171 qualifies for grants under this subsection. The department shall by regulation adopt procedures for applying for regional development grants, including application deadlines. The department may by regulation establish additional grant eligibility requirements.

(c) To qualify for a grant, a regional development organization must match the grant by providing an amount of money from nonstate sources. The department shall establish by regulation a formula that determines the amount of the match required under this subsection based on the capability of each organization to generate money from nonstate sources. The amount of match required may not exceed the amount of grant money and may not be less than 20 percent of the grant. The total amount of grant money provided to an organization during a fiscal year may not exceed \$100,000.

(d) There is established in the department the regional development fund consisting of appropriations to the fund. Money from the fund may be used only for regional development grants.

(e) In this section,

(1) "department" means the Department of Community and Economic Development;

(2) "regional development organization" or "organization" means a nonprofit organization or nonprofit corporation formed to encourage economic development within a particular region of the state that includes the entire area of each municipality within that region and that has a board of directors that represents the region's economic, political, and social interests. (64 ch 58 SLA 1999)

Alaska Administrative Code

CHAPTER 057

ALASKA REGIONAL ECONOMIC ASSISTANCE PROGRAM

3 AAC 57.010

PURPOSE.

This chapter is intended to implement, interpret, and make specific the Alaska regional economic assistance program under AS 44.33.026 .

History -

Eff. 2/22/89, Register 109

Authority -

AS 44.33.020

AS 44.33.025

3 AAC 57.020

DUTIES AND RESPONSIBILITIES OF THE DEPARTMENT.

(a) The department will provide assistance to organizations and individuals interested in the formation of an Alaska regional development organization by providing the following:

(1) information, procedures, forms, and other material as required, on how to apply and qualify for an Alaska regional development grant;

(2) counseling and technical assistance to the regional economic organization in establishing and operating an Alaska regional development organization program; and

(3) available data and information on the region's economy in support of the regional organizational efforts.

(b) The department will:

(1) receive and process Alaska regional development organization designation, and grant, applications;

(2) disburse and receive regional development fund money;

(3) supervise and service grants;

(4) provide a written determination of compliance for each application for designation, and funding, of an Alaska regional development organization.

(c) Upon designation of an Alaska regional development organization, the department will assist in coordinating the organization's plans, programs, activities, and projects with other local, state, and federal agency efforts.

History -

Eff. 2/22/89, Register 109

Authority -

AS 44.33.020

AS 44.33.026

3 AAC 57.030

ELIGIBILITY.

(a) The department will accept applications from an applicant seeking designation and funding as an Alaska regional development organization, if the applicant is one of the following: a nonprofit corporation incorporated under the laws of Alaska, including a regional Native nonprofit corporation; an association of municipal governments; a public/private association such as an association of municipal governments and chambers of commerce; an association of local chambers of commerce; an association of local economic development councils or private economic development councils; a body formed by an organized municipality; or any other entity that meets the criteria of AS 44.33.026(e)(2).

(b) An economic development district, as designated by the Economic Development Administration, United States Department of Commerce, is, under AS 44.33.026 (b), automatically designated as an Alaska regional development organization. If a federally funded economic development district includes more than one designated Alaska regional development organization, the preexisting Alaska regional development organizations may not receive more than two grant awards after the date of the first federal grant award to that economic development district. Thereafter, that economic development district will be the sole designated Alaska regional development organization and the sole eligible grant applicant for that region.

(c) It is the responsibility of the applicant to show that the proposed regional development organization complies with the criteria in 3 AAC 57.040 and 3 AAC 57.050 , and AS 44.33.026 (a).

History -

Eff. 2/22/89, Register 109; am 11/26/93, Register 128

Authority -

AS 44.33.020

AS 44.33.026

Note: This is a selected excerpt from the regulations. Please see 3AAC Chapter 57 for the entire text.



Alaska State Home Page
Department Home Page
Division Home Page

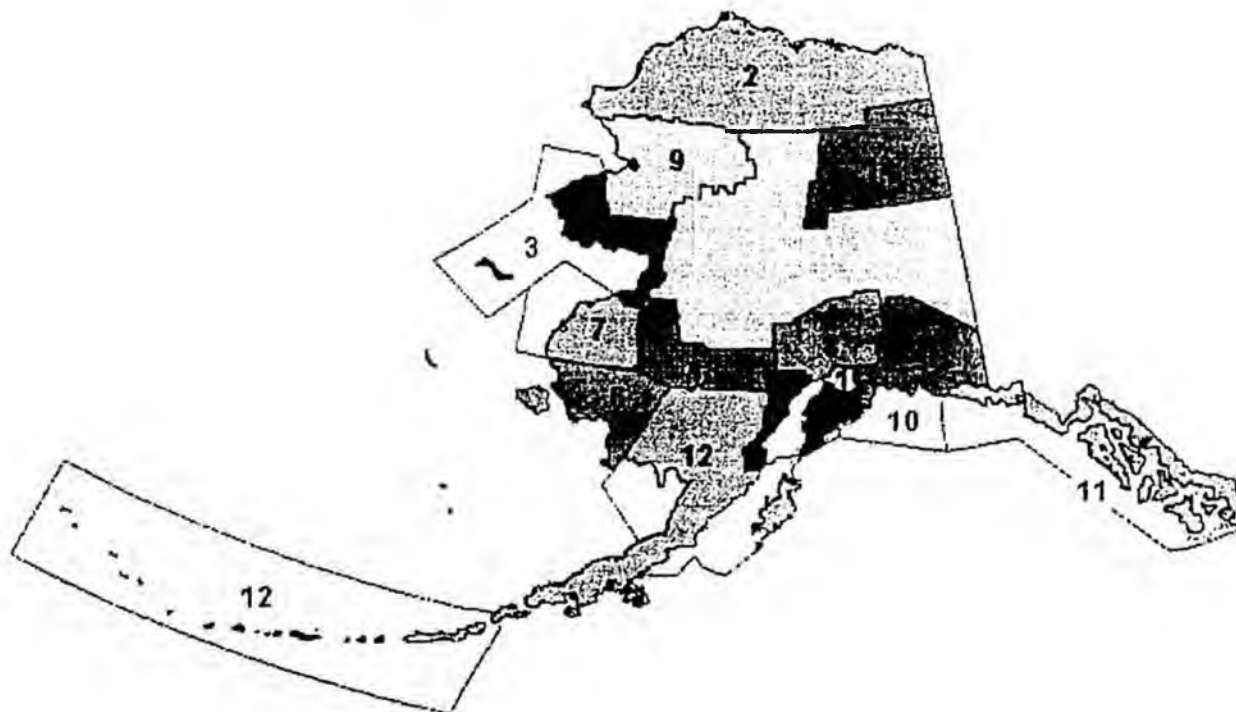
Alaska Regional Development Organizations -- ARDORs

The ARDOR program is based on the notion that locally driven initiatives, in partnership with the State, can most effectively stimulate economic development and produce healthy, sustainable local economies. The ARDORs are intended to:

- enable communities to pool their limited resources, and work together on economic development issues;
- develop partnerships among public, private and other organizations,
- offer a technical, nonpartisan capacity to develop and implement an economic development strategy,
- often have extensive experience with federal/State programs, and
- provide needed technical assistance via direct links with local citizens.

ARDOR Organizations

There are currently 12 ARDORs that cover all parts of Alaska with the exception of a portion of the interior. Two additional ARDOR applications are under review.




(ARDORs with Web Sites are "linked")


- | | |
|---|---|
| 1. <u>Anchorage Econ. Dev. Corporation</u> | 7. Lower Yukon Econ. Dev. Council |
| 2. <u>Arctic Development Council</u> | 8. Mat-Su Resource Conservation & Development, Inc. |
| 3. Bering Straits ARDOR Program | 9. Northwest Arctic Borough Econ. Dev. Commission |
| 4. Copper Valley Econ. Dev. Council | 10. Prince William Sound Econ. Dev. Council |
| 5. <u>Kenai Peninsula Borough Econ. Dev. District</u> | 11. Southeast Conference |
| 6. Lower Kuskokwim Econ. Dev. Council | 12. <u>Southwest Alaska Municipal Conference</u> |

Applications under review:

13. Interior Rivers Resource Cons. & Dev. 14. Yukon Flats Resource Cons. & Dev.
-

ARDOR TOPICS

Note: documents followed by  must be viewed and printed with *Adobe Acrobat*. You can download a copy of this application free at: Adobe Acrobat READER

- Frequently Asked Questions about ARDORs
 - ARDOR Statutes and Regulations
 - Contacting the ARDORs
 - Related Web Sites
 - 1997 ARDOR Annual Reports
 - 1998 ARDOR Annual Reports
 - 1999 ARDOR Annual Reports 
 - 2000 ARDOR Application Documents
-

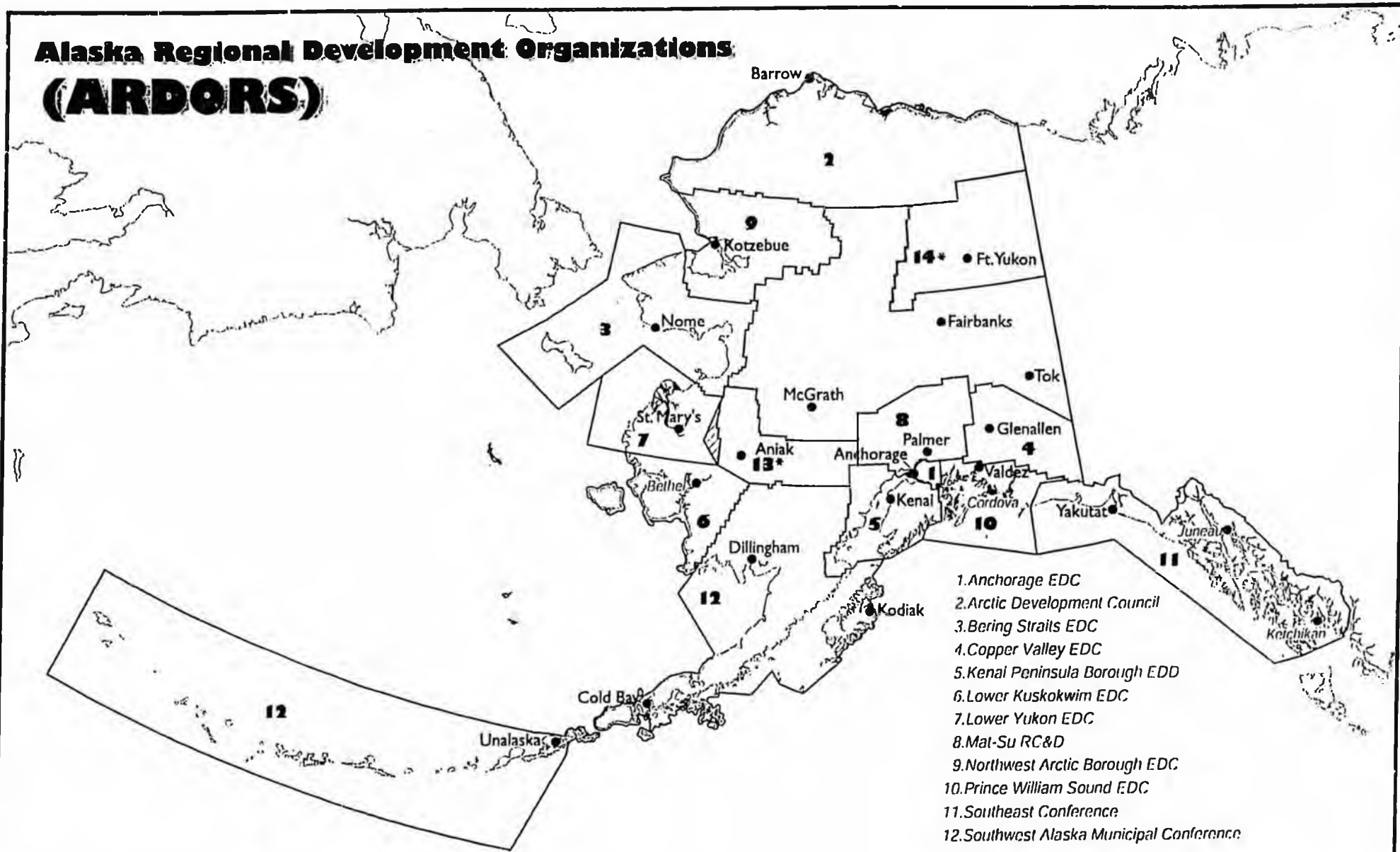
For more information about the ARDOR Program, contact:

Nelda Warkentin
 Department of Community and Economic Development
 Municipal and Regional Assistance Division
 550 West 7th Ave., Suite 1790
 Anchorage, AK 99501
 Phone: 269-4580 FAX: 269-4539
 e-mail: Nelda.Warkentin@dced.state.ak.us

 Please go to the ARDOR's website for more info-

http://www.dced.state.ak.us/mra/Mrad_ARD.htm

Alaska Regional Development Organizations (ARDORS)



NOTE: DCRA anticipates the Fairbanks North Star Borough & Tanana Chiefs Conference, Inc. will seek ARDOR designation in FY 99.

Contact List

Anchorage Economic Development Corporation (4/11/89)¹

Patricia DeMarco, President
900 West 5th Avenue, Suite 300
Anchorage, AK 99501
Phone: 258-3700 Fax: 258-6646
aedc@alaska.net

Arctic Development Council (3/1/91)¹

Deborah Punton, Director
PO Box 1353
Barrow, AK 99723
Phone: 852-4146 Fax: 852-4147
dpunton_adc@barrow.com

Bering Straits Economic Development Corporation (1/15/97)¹

Norm Stadem, Director
c/o Kawerak, Inc.
PO Box 948
Nome, AK 99762
Phone: 443-4379 Fax: 443-2591
stadem@kawerak.org

Copper Valley Economic Development Council (11/1/90)¹

Larry Dickerson, Executive Director
PO Box 9
Glennallen, AK 99588
Phone: 822-5001 Fax: 822-5009
cvedc@alaska.net

Kenai Peninsula Borough Economic Development District (2/22/89)¹

Tess Whalen, Director
PO Box 3029
Kenai, AK 99611
Phone: 283-3335 Fax: 283-3913
twhalen@kpedd.org

Lower Kuskokwim Economic Development Council (9/17/91)¹

Carl Berger, Executive Director
PO Box 2021
Bethel, AK 99559
Phone: 543-4967 Fax: 543-4171
carl_berger@ddc-alaska.org

Lower Yukon Economic Development Council (11/1/91)¹

Scott Wagner, Executive Director
825 Mulchatna Dr.
Wasilla, AK 99654
Phone: 745-2262 Fax: 745-7984
lyedc@mtaonline.net

Mat-Su Resource Conservation & Development District (11/1/93)¹

Douglas Smith, Executive Director
351 West Parks, Highway, Suite 100
Wasilla, AK 99654
Phone: 373-1062 Fax: 373-1064
matsurcd@mtaonline.net

Northwest Arctic Borough Economic Development Commission (6/28/89)¹

Andy Concepcion, Executive Director
PO Box 1110
Kotzebue, AK 99752
Phone: 442-2500 Fax: 442-2930
nabedc@ptialaska.net

Prince William Sound Economic Development Council (11/1/91)¹

Sue Cogswell, Executive Director
PO Box 2353
Valdez, AK 99686
Phone: 835-3775 Fax: 835-3265
pwsedc@alaska.net

Southeast Conference (4/14/89)¹

Berne Miller, Executive Director
124 West Fifth Street
Juneau, AK 99801
Phone: 463-3445 Fax: 463-4425
seconf@ptialaska.net

Southwest Alaska Municipal Conference (4/6/89)¹

Glen Vernon, Executive Director
3300 Arctic Blvd., Suite 203
Anchorage, AK 99503
Phone: 562-7380 Fax: 562-0438
swamc@alaska.net

Frequently Asked Questions

What is an ARDOR? A non-profit organization of local volunteers, representing numerous public and private interests, working together to achieve economic development in their region. An ARDOR is organized in accordance with Alaska Statute 44.47.830 and the Alaska Administrative Code (3 AAC 54).

Why have a regional organization do economic development? The Legislature established the ARDOR Program in 1988, and again in 1997, in support of the widely held belief that a locally driven initiative, in partnership with the State and other entities, can most effectively stimulate economic development and produce healthy, sustainable local economies.

How does an ARDOR get established? DCRA approves an ARDOR designation. To be approved, the ARDOR must (1) be large enough and contain adequate resources to support a regional economic development program, and (2) be an economically viable unit with shared interests, resources, traditions, and goals. Currently, there are 12 ARDORs in all regions of Alaska, except the Interior. The Aniak region has submitted an application for ARDOR designation. Three other interior regions are considering ARDOR designation.

How does an ARDOR work? Each ARDOR is guided by a Board comprised of the economic development interests in the region. Board members are usually appointed by organizations in the region; however, some are elected. The Board hires an Executive Director to work with the Board to ensure an annual work plan is implemented. The Board oversees and directs the activities of the ARDOR.

What are the ARDOR Program goals? Encourage a healthier economic climate to increase the number of jobs; strengthen existing businesses; attract new businesses; and encourage economic diversification.

What does an ARDOR actually do? Each ARDOR is different with regard to existing economic development; infrastructure; a marketable natural resource; an educated work force; and a cohesive leadership organization—factors in achieving economic development. Thus, what each ARDOR does, is unique to that ARDOR. Generally, however, ARDOR's:

- ✓ conduct economic development related research and planning, including develop and implement a regional economic development strategy;
- ✓ respond to information requests;
- ✓ coordinate ARDOR's activities with other economic development activities;
- ✓ provide services designed to encourage economic development;
- ✓ collect and distribute economic information;
- ✓ develop and maintain community and village economic profiles;
- ✓ coordinate State economic or business development efforts; and
- ✓ serve as a liaison between State government and the region.

How is an ARDOR funded? DCRA awards annually, a State grant to each ARDOR that satisfies the statutory and regulatory requirements of the ARDOR Program, including the requirement that each ARDOR provide a local, non-State match. In FY98, each ARDOR received \$51,666. The State grant and required match is usually not the ARDOR's only source of funding. ARDOR's can and do receive funding from a variety of sources.

How much money does the State contribute to the ARDORs?

	FY97	FY98	FY99
Total	\$620.0	\$620.0	\$620.0
Each Grant	\$54.5	\$51.7	\$51.7
# of ARDORs	11 ¹	12	12

¹Plus, one organizing ARDOR received \$20.0.
NOTE: Amounts are \$1,000.



SOUTHEAST CONFERENCE

Working for strong economies, healthy communities, and a quality environment in Southeast Alaska

A RESOLUTION URGING REAUTHORIZATION OF THE ALASKA REGIONAL DEVELOPMENT ORGANIZATION (ARDOR) PROGRAM (Resolution 00-12)

- WHEREAS** one of the most serious challenges facing Alaskans today is expansion, diversification, and stabilization of the State's economy; and,
- WHEREAS** among the most successful approaches to economic expansion, diversification, and stabilization is one that encourages and facilitates a high level of participation at local and community levels; and,
- WHEREAS** the Alaska Regional Development Organization (ARDOR) Program was established to create and sustain regional development capacity by fostering effective public-private partnerships to implement locally conceived and executed economic and community development projects; and,
- WHEREAS** the ARDOR Program will "sunset" unless reauthorized by the Legislature, and
- WHEREAS** ARDOR statewide have laid a solid foundation for greater responsibility and leadership in economic and community development at the regional level; and,
- WHEREAS** Southeast Conference has assisted the people and communities of Southeast Alaska by: 1) supporting and helping improve and expand marine and land transportation infrastructure; 2) helping communities address solid waste management, household hazardous waste disposal, and other environmental needs; and, 3) helping communities plan and execute development efforts responsive to local needs and priorities.

NOW THEREFORE BE IT RESOLVED THAT:


Southeast Conference urges the Administration and Legislature to fully support the ARDOR Program through appropriate administrative policies and appropriation of funds adequate to sustain the ARDOR mission of "building local capacity" and developing sustainable economies.

Southeast Conference urges the Administration and Legislature to reauthorize the ARDOR Program during the next legislative session.


This Resolution be sent to the Governor, the Legislature, the Department of Community and Economic Development and Alaska Industrial Development and Export Authority.

ADOPTED BY: SOUTHEAST CONFERENCE ON SEPTEMBER 30, 1999

Witness:


Robert W. Ward, Jr. - President Southeast Conference

Attest:


Frank Homan - Executive Director

Jim & Diane Erickson

PO Box 877294
Wasilla, Alaska 99587-7294

Phone 907-745-7467
Fax 907-357-3805
Home Phone 907-373-3805
Email jde@mtaonline.net

JAN 31 2000

January 29, 2000

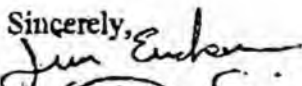

The Honorable Alaska Representative Alan Austerman
Alaska State Legislature
State Capitol (MS3100)
Juneau, Alaska 99801



Dear Representative Austerman,

Thank you for sponsoring HB265. The ARDOR program is very important for economic development throughout the State of Alaska. One project that the ARDOR program and the Mat-Su RC&D were very involved with was the port project out at Point MacKenzie. This is only one of the numerous expertize contributions we need towards economic development for our State. Hopefully, the two committees will take a long look at all of the good brought forth by the use of the ARDOR program and the Mat-Su RC&D for our State.

Again, thank you. Please add our names to your support list of HB265. If you have any questions, please contact us at the above address. Thank you for your time, cooperation, and consideration.

Sincerely,


Jim and Diane Ericksen

cc: The Honorable Alaska Senator Lyda Green
The Honorable Alaska Representative Beverly Masek

CORRESPONDENCE STUDY SCHOOL
MAT SU BOROUGH SCHOOL DISTRICT
600 EAST RAILROAD AVE., SUITE #6
WASILLA, ALASKA 99654 (907) 373-3570
FAX (907) 373-3573
STEVE LEVINE, PRINCIPAL



(JL)ff
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J

January 31, 2000

FEB 3 2000

Dear Representative Austerman,

I am writing this letter to voice my strong support for the reauthorization of the ARDOR Program through the year 2003.

I have been a volunteer on the Board of Directors of the Mat-Su Resource Conservation and Development Council for the past five years. I have served over two years as Treasurer on the Executive Board. My seat on the Board allows me to represent the largest employer in the Matanuska-Susitna Borough, that of the Mat-Su Borough School District. I have always viewed my involvement in this organization as being good for Mat-Su Schools. A strong economy and greater assessed evaluations make building a better educational system easier to accomplish because more local revenue is available.

I know that Mat-Su RC&D is the only local entity able to leverage its broad-based political and business advocacy with local knowledge and expertise to make big dreams come true. We have made excellent progress on the Hatcher Pass Project, the dispensation of the Big Lake Hatchery, as well as moving the Port McKenzie Project forward. In addition to these headliner projects, we have a long list of individual businessmen and budding entrepreneurs that we have provided technical assistance to. Similarly, we have provided guidance and insight to many non-profit organizations related to community development and resources conservation such as, Wasilla Wonderland Park, Houston Homesteaders Community Center, Goldrush Centennial, Palmer Children's Playground, and Wasilla Skate Park. We have paved the way to make their dreams, albeit smaller than a port, come true as well.

Again, I urge you to do all that you can in support of House Bill 265, Extending the ARDOR Program, happen.

Sincerely,

Steven L. Levine



MATANUSKA-SUSITNA BOROUGH

Borough Manager

350 E. Dahlia Avenue, Palmer, Alaska 99645-6488
Phone (907) 745-9689 FAX (907) 745-9669

January 31, 2000

The Honorable Alan Austerman
Alaska State Legislature
State Capitol (MS3100)
Juneau, AK 99801

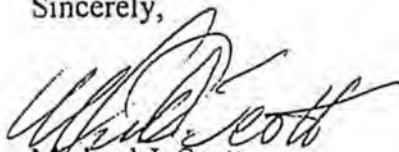
Dear Representative Austerman:

The Matanuska-Susitna Resource Conservation and Development Council (Mat-Su RC&D) has received funding for many years from the ARDOR program to enhance the employment and tax base of the Mat-Su Borough while maintaining a high quality of life for residents. Among its many exemplary accomplishments in 1999, Mat-Su RC&D has:

- Assisted Mat-Su Borough and Port Commission in obtaining funding for construction of Port MacKenzie.
- Hosted the 1st Annual Valley Economic Development Conference.
- Drafted Overall Economic Development Plan.
- Completed & distributed Timber Utilization Plan for the Mat-Su.
- Completed construction of the Houston Educational Park.
- Completed Houston Homesteaders Community Center.
- Completed Big Lake's 100 Junker Rally (clean-up project).
- Completed economic recovery grants for Wasilla, Houston, and Big Lake.
- Provided continuing assistance to: Wasilla Wonderland, Palmer Children's Playground, Houston Homesteaders, Skateboard Park, Goldrush Centennial, Palmer Hockey Association, Wasilla Soil and Water Conservation District.
- Completed portable dry kiln project.

Extending the ARDOR program through HB 265 will benefit future development projects of the Mat-Su Resource Conservation & Development Council and the residents of the Mat-Su Borough.

Sincerely,


Michael J. Scott
Borough Manager

/sk
013100.1

FEB 05 2000

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ELEANOR F. OAKLEY
P. O. BOX 4072
PALMER, AK 99645
907-745-1745
907-745-1749 (FAX)
email - coakley@mtaonline.net

FAX COVER PAGE

DATE: February 1, 2000

TO: Rep. Alan Austerman
Attn: Cliff Stone, Chief of Staff

RE: Reauthorization, ARDOR Program

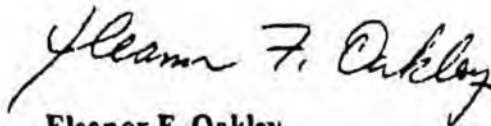
TELEPHONE: 907-465-4956

Number of Page: two (2)

As a former Mat-Su Borough Assembly member, I have worked closely with our local RC&D and realize the importance of the organization regarding economic development not only for our area but also for the benefit of the economic well-being of the State of Alaska. Also I worked with other RC&Ds on a state-wide basis as a founding member of the Alaska Center for Appropriate Technology and realize the importance of the organizations for economic development in the rural areas of the state.

I fully support the continued funding of the state-wide organization through H.B. 265. As you may be aware, the program leverages each \$1 invested to more than \$5 in private and federal dollars.

Sincerely,



Eleanor F. Oakley

cc: Mat-Su RC&D

FEB 02 2000



415 E. Railroad Avenue * Wasilla, AK 99654
Email: chamber@wasilla.net

Telephone (907) 376-1299 * Fax (907) 373-2560
Home Page: www.chamber.wasilla.net

Voted "Alaska's Outstanding Local Chamber of Commerce ~ 1998"

February 4, 2000

Representative Alan Austerman
Alaska State Legislature
State Capitol (MS 3100)
Juneau, Alaska 98801

FEB 10 2000

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Dear Representative Austerman,

Please accept this letter of support for HB265. The State funding of the ARDOR program is critical to the Mat-Su Resource Conservation & Development Council. This agency has a strong performance record in our Borough, and has consistently worked to improve the local economy.

During 1998/99 our Chamber benefited from Mat-Su RC&D's efforts on the following projects:

- Established Annual Economic Development Summit for the Mat-Su Valley
- Helped secure U.S. Forest Service community economic development grants for Wasilla, Big Lake and Houston
- Provide annual assistance to Greater Wasilla and Palmer Chambers of Commerce to conduct joint-chamber economic development luncheon
- Assisted Greater Wasilla Chamber of Commerce with production of an aerial FAM-Tour of the major economic development projects in the Mat-Su Valley.

At a time when Alaska is seeking new investment opportunities which will stimulate economic diversification, it is critical that funding of the ARDOR program, which provides \$5 in private and federal funds per every \$1 the State invests, be extended.

Thank you for your efforts and sponsorship of HB265.

Sincerely,

Ed Brittingham
Executive Director

CC: Charles Parker, Mat-Su RC&D

EB/elp



prince william sound
**ECONOMIC
DEVELOPMENT
COUNCIL**

February 8, 2000

Representative Alan Austerman
State Capitol
Juneau, AK 99801-1182

REF: House Bill 265

Dear Representative Austerman:

Prince William Sound Economic Development Council, an ARDOR since 1991, has been instrumental in over \$5.5 million for our region. These projects have been extremely beneficial to the quality of life and economic growth of the area.

As president of PWSEDC board of directors, I would like to express my support for the ARDOR organizations and HB 265.

Thank you for providing leadership in this matter.

Sincerely,

David A. Dengel
President



February 9, 2000

The Honorable Alan Austerman
Alaska State House of Representatives]
House Finance Committee
State Capitol, Room 434
Juneau, Alaska 99801-1182

Dear Representative Austerman:

We at the Southwest Alaska Municipal Conference, appreciate your leadership and interest in identifying methods of funding for the reauthorization of the Alaska Regional Development Organizations (ARDOR). As one of the twelve approved ARDORs in Alaska, Southwest Alaska Municipal Conference is working to improve economic conditions in our region.

Our current ARDOR activity has resulted in preparation of promotional material for individual business in our region, training of specific operators in copyright protection technique, and consultancy in business planning for communities. Our role is one of advocate, counselor and technician. We work on multiple levels to match our service in a very tailored manner with requirements of our clients. We believe that tangible improvements in business practice are among the direct results of our efforts within the region we represent. Our clients through their call for continuing service document their need. We look forward to hearing more from your office as debate on reauthorization proceeds. Thank you for consideration of our situation.

Sincerely,

A handwritten signature in black ink, appearing to read 'William Theuer', written in a cursive style.

William Theuer
Economic Development Specialist
Southwest Alaska Municipal Conference

lt/email/aust1.doc/wrt

FISCAL NOTE

Bill Version: HB 265
 (H) Publish Date: 3/1/00

**STATE OF ALASKA
 2000 LEGISLATIVE SESSION**

Revision Date/Time (Note if correction) 2/23/00 Dept. Affected DCED
 Title BRU Community and Econ Dev
 An Act extending the termination date of the Alaska Regional ... Component Community and Econ Dev
 Sponsor Representative Austerman
 Requester HOUSE Special Comm. on Econ. Dev./Tourism Component No. 2243

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services	30.0	30.0	30.0	30.0	30.0	30.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	620.0	620.0	620.0	620.0	620.0	620.0
Miscellaneous						
TOTAL OPERATING	650.0	650.0	650.0	650.0	650.0	650.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (RSA from AIDEA)	650.0	650.0	650.0	650.0	650.0	650.0
TOTAL	650.0	650.0	650.0	650.0	650.0	650.0

Estimate of any current year (FY2000) cost: 650.0

POSITIONS

Full-time	0	0	0	0	0	0
Part-time	1	1	1	1	1	1
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This is an existing program that is scheduled to sunset 6/30/00. Reauthorization will continue the program for 3 years (until 6/30/03). The \$650.0 comes to DCED via a Reimbursable Services Agreement (RSA) from the Alaska Industrial Development and Export Authority (AIDEA) Enterprise Development Fund (AS 44.88.155) DCED awards \$20.0 in grants equally to 13 existing Alaska Regional Development Organizations (ARDOR) (\$47 each). \$30.0 in personal services pays for a portion of DCED staff time associated with administering the grants and the ARDOR program in general. This funding is included in the current fiscal year budget and is included in the Governor's proposed FY 2001 budget.

Prepared by: Nelda Warkentin Phone 269-4568
 Division Municipal and Regional Assistance Division
 Approved by Commissioner Deborah B. Sedwick Date 02/23/00
 Agency Department of Community and Economic Development

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

FISCAL NOTE

No: 1

Bill Version: HB 265
 (H) Publish Date: 2/21/00

STATE OF ALASKA
 2000 LEGISLATIVE SESSION

Revision Date: _____
 Title: An Act extending the termination date of the Alaska
Regional ...
 Sponsor: Representative Austinman
 Requester: House Special Comm. On Econ. Dev./Tourism

Dept. Affected DCED
 BRU Community and Econ Dev
 Component Community and Econ Dev
 Component Serial No. 2243

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06
Personal Services	30.0	30.0	30.0	0.0	0.0	0.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	620.0	620.0	620.0	0.0	0.0	0.0
Miscellaneous						
TOTAL OPERATING	650.0	650.0	650.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES []						
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1091 Designated Program Receipts						
Other, AIDEA	650.0	650.0	650.0	0.0	0.0	0.0
TOTAL	650.0	650.0	650.0	0.0	0.0	0.0

Estimate of any current year (FY2000) cost: 650.0

POSITIONS

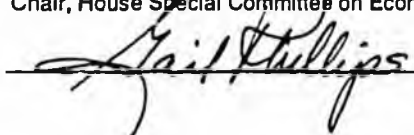
Full-time	0	0	0	0	0	0
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

* The amount included in this fiscal note is already included in the FY 2001 Governor's Request.

This is an existing program that sunsets 6/3/00. Reauthorization will continue for 3 years (until 6/30/03). The \$650.0 come to DCED via a Reimbursable Service Agreement (RSA) from the Alaska Industrial Development and Export Authority (AIDEA) Enterprise Development Fund (AS 44.88.155). DCED awards \$620.0 in grants equally to 13 existing Alaska Regional Development Organizations (ARDOR) (\$47.7 each). \$30 in personal services pays for a portion of DCED staff time associated with administering the grants and the ARDOR program in general.

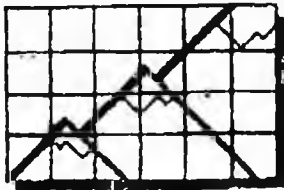
Approved by: Representative Gail Phillips
 Chair, House Special Committee on Economic Development/Tourism



Phone 465-2689

Phone _____

Date 2/17/00



Mat-Su Borough Small Business Development Center

201 N. Lucille St.
Suite 2-A
Wasilla, Alaska
99654
(907) 373-7232
Fax (907) 373-7234

Rep. Alan Austerman
Alaska State Legislature
State Capitol
Juneau, AK. 99801

Dear Sir,

I just wanted to take a small amount of your time to let you know that the Mat-Su Borough Small Business Development Center (SBDC) is in wholehearted support of House Bill 265, extending the ARDOR funding.

The small business community of the Mat-Su Borough profits immensely from the projects developed and supported by the ARDOR Program. Two of these projects, the Port MacKenzie Development and the Hatcher Pass Ski Resort are sure to bring countless business opportunities and much-needed jobs to the Valley.

Thank you for your attention to this matter.

Sincerely,

Tim Sullivan
Director Mat-Su SBDC

Sponsored by:

Mat-Su Borough
Key Bank
National Bank of
Alaska
First National Bank

Programs



A partnership
program of the US
Small Business
Administration and
the University of
Alaska.